CIO Council Meeting Minutes
March 29, 2006
Albert Coates Building

Attendees:
Members: Randy Barnes (DOR), Julie Batchelor (OSC), Peter Asmar (DPI), Larry Brewer (DOI), Bob Brinson (DOC), Jae Kim (DCR), Smitty Locklear (DOA), Nancy Lowe (DJJDP), Ben McLawhorn (OSC), Kris Michaloski (OSP), Robin Murray (for AOC), Jane Price (Agric), Karen Tomczak (DHHS), Doc Howell (Ports), Robert Blackmun (NCCCSO), Lennox Superville (DSA).

Other Agency Guests: Saundra Williams (NCCCSO)

Scribe: Dwala Johnson, Department of Health and Human Services, Division of Information Resource Management

Welcome/Comments: Chair Randy Barnes called the meeting to order at 2:00 p.m., and welcomed everyone. She noted that the April meeting conflicts with the Security Conference to be held on April 26th. Therefore, the next meeting will be held on May 17th. Randy also informed the group that the Project Management Institute (PMI) is starting a public sector group; please contact Randy for more information if you are interested in participating.

Minutes: The minutes of the last meeting were approved without change.

Next Meeting Topics, Randy Barnes: Randy reviewed the topics to be covered at the next meeting, which would be a combined meeting for April and May. The topics to be covered are:
- Sharon Hayes will present Lessons Learned about UMT.
- Mark Paxton will share findings from Michigan.
- The results of the Security Conference to be held on April 26th will be presented.

Randy also requested that attendees suggest topics for upcoming meetings in addition to those already identified. Suggested topics were:
- **Banding:** OSP is in the process of defining the competencies for project manager positions. OSP has not yet stated whether there will be a separate category for Project Managers.
- **Service offering changes at ITS:** ITS has changed the way it charges for T1 and T3 lines. Attendees stated that there are no definitions available for the monthly access fees for these services; you must request quotes online. Randy will speak with Billy Willis regarding these changes and request that an appropriate ITS resource attend a subsequent meeting to discuss this topic.
- **ESAP** – The CIO Council would like to be informed of any updates, difficulties, or any other issues related to ESAP implementation. The group suggested that Randy forward a list of their questions/issues to ITS, so that this can be the focus of an ITS update to be provided at a subsequent CIO Council meeting.

IT Advisory Board (ITAB), Secretary Tolson: Secretary Tolson stated that the purpose of the ITAB is to provide guidance, support and advice to the State Chief Information Officer. He added that the ITAB is instrumental to SB 991's successful implementation. SB 991 provides for consolidation of IT; rather than each agency pursuing IT solutions independently.

Secretary Tolson also noted that it is important that IT decisions be driven by business needs. IT resources are to assist the business in making decisions about IT solutions by helping them see the bigger picture and by providing help and guidance. IT and business staff need to work in concert in a non-adversarial relationship. Secretary Tolson opened the floor for comments, questions or concerns about the implementation of SB 991 and ITAB.

Open Discussion, CIO Council Roundtable:
- Concerning the development of IT budgets, the following observations and comments were made.
  - o Agencies are not give sufficient lead time to get issues submitted to the General Assembly and resolved in relation to IT budgetary needs.
  - o Many departments do not have an IT budget; instead, project funding is provided and managed by the business.
  - o There is a need for improvement in the use of central inventories (i.e., statewide use) of IT hardware and software assets. Theses inventories would help agencies determine needs when developing budgets, and provide for appropriate life cycle management.
  - o If an agency does not have an IT budget, then funding is not available to create and maintain IT asset inventories.
  - o The CIO should be ultimately responsible for IT spending in his/her agency.

- Concerning the consolidation of IT efforts and implementation of state enterprise services, the following observations and comments were made.
  - o The following benefits were noted:
    - ▪ Removes duplicative efforts and thereby reduces costs.
    - ▪ Agencies should be able to choose the level at which they would like to participate (i.e., "flavors" of service (e.g., low, medium, high) will be available). If an agency selects a lower level of participation, the cost for that service should be reduced.
    - ▪ Reduces the variety of skill sets needed to maintain the services.
  - o The following concerns were raised:
    - ▪ Agencies may be required to pay more but may receive less service.
    - ▪ Cost savings realized by consolidation may not be enough to cover the cost of subscribing to the enterprise service.
    - ▪ Will agencies lose functionality if they cannot afford a costly enterprise solution? At this time, the current funding process requires each agency to submit individual requests to the legislature (for NCMail access, for example). These requests are met with varying success, which results in some agencies being able to afford solutions/tools, while others cannot.
    - ▪ How will costs for enterprise services be allocated? A proration model may be needed by service/agency based on amount of service received by

the agency, rather than allocating individual agency costs by total ITS expenditures incurred. This needs to be addressed for any portion of funds that the agencies will have to contribute annually (i.e., that are not legislatively appropriated for the Enterprise Fund).

- Some agencies have already spent funding for services such as anti-virus software and related training, and do not have funds available to pay for subscription to the enterprise service. It was noted that if a solution is already in place, the agency should request a review by ITS to see if the solution is acceptable.
- Consolidation requires process (tools) and follow through (discipline). In some cases, agencies are not getting timely responses from ITS on requests to replace out-of-date tools.
- The State will need to ensure that it does not adopt a mindset that bigger is always better. Smaller and fragmented agencies may not be able to benefit from consolidation.
- Agencies need to know what the long-term plans are for consolidation and enterprise services to ensure that their "current" and "upcoming" plans do not conflict with the State's. Similarly, conversion timeline and cost information also needs to be known in advance and communicated with appropriate lead times.
- A "big bang" approach for implementing enterprise services is not recommended; changes need to be evolution, not revolution.

- A common definition of "CIO" is needed. It was mentioned that the State CIO defines this as representing the business, but the not all agencies agree with this definition.
- Secretary Tolson stated that communication around the SB 991 process could be improved. ITAB can help fix these issues (e.g., education for the General Assembly). If you don't believe that you are being heard, please send your concerns to Secretary Tolson; and definitely speak up before decisions are made.

Meeting adjournment, Randy Barnes: Randy adjourned the meeting at 3:20 p.m.